



AGENDA

Muncie Economic Development Commission

January 3, 2023 at 12:00 p.m.

Conducted in the Mayors Conference Room

- I. CALL TO ORDER**
 - II. ROLL CALL**
 - III. CONSIDERATION OF THE NOVEMBER 1, 2022 MINUTES**
 - IV. AGENDA**
 - a. Reorganization
 - b. Greater Muncie Habitat for Humanity- tax abatement application
 - V. OTHER BUSINESS**
 - VI. ADJOURNMENT**
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Muncie Economic Development Commission
City of Muncie, State of Indiana
November 1, 2022 Minutes

1. Muncie Economic Development Commission, City of Muncie, State of Indiana, met in the Mayor's Conference room at City Hall, at 12:00 P.M.

2. Roll Call Members Present: Matt Kantz, Jessica Piper, Dustin Clark, Aaron Clark and Josh Taulbee. Attorney Ben Freeman also present.

3. Approval of Minutes for the September 6, 2022 Meeting: Ms. Piper made a motion to approve the minutes. Mr. Kantz provided the second. Minutes for the September 6th meeting approved by unanimous voice vote.

4. Horizon Companies Application for Tax Abatement – 2901 W. Memorial Dr

Mayor Ridenour introduces the application for tax abatement for the property located at 2901 W. Memorial Drive, which is the corner of Memorial and Tillotson. Mayor Ridenour explains that this is the third attempt to put something into this area in terms of economic development. Horizon Companies is the group pursuing the project and they are based out of Atlanta, Georgia. This will be their first project in Indiana and they are primarily operating in the South.

Mayor Ridenour explains that Horizon Companies is excited about this location and the prospect of a potential park going into the neighboring area. Mayor Ridenour clarifies that we will have confirmation for state-funding for the park in January. President Kantz asks if the park will be located on the other side of Cornbread Road. Mayor Ridenour clarifies it will not be located on the other side and that it will be adjacent to 2901 W. Memorial Drive. Ms. Piper clarifies that this project will be located further North than projects in the past targeting this area.

Mayor Ridenour explain that Horizon Companies specializes in larger structures and was surprised when approached with the idea of building a 276 unit on this project. Mayor Ridenour, City Councilman Clark, and Deputy Mayor Richard Ivy have been involved in the meetings throughout putting this deal together. Horizon Companies has hired a local company, RMA, to do the zoning report and feasibility study (provided to the Commission at the meeting). This project will entail 31 one-bedroom, 84 two-bedroom, 90 three-bedroom, and 72 four-bedroom units.

Some of these units will be affordable housing which will allow them a 4% tax credit. Mayor Ridenour explains that this is going to be a 55-million-dollar project and with those credits comes significant savings on the developers end. In order to keep those

tax credits, Horizon Companies will have to continue to own the property to receive those benefits.

President Kantz asks what the term “affordable” means and if it is this project is similar to the project this Commission favorably recommended at 12th Street. Mayor Ridenour clarifies that this will be similar to that project in that these units will be income based and there will be no section-8 housing. One of the major differences between this project and the 12th Street project is that this project is a 4% tax credit while the 12th Street project was a competitive tax credit, which is why they received a 9% tax credit.

Mayor Ridenour states that the City will be looking to help them with \$2.5 million, most of which will be in tax abatement since the taxes will be roughly \$500,000 to \$600,000. Mayor Ridenour clarifies that the abatement he presented to Horizon Companies was a 5-year, 100% for the first year, 80% the second year, 60% the third year, 40% the fourth year, and 20% the fifth year totaling around \$1.9 million.

Between EDIT, the Muncie Redevelopment Commission, and HOME will put in another \$600, 000 bringing the total to \$2.5 million. Mayor Ridenour states that he has clarified with Horizon Companies that he will not be borrowing for this project and we will not be accruing any new debts.

Mr. A. Clark asks what the breakdown is of the EDIT, HOME, and MRC cash amounts provided. Mayor Ridenour states that \$100,000 will come from HOME, \$155,00 from the MRC, and roughly \$345,000 will come from EDIT funds. Mr. A. Clark states that he has been in contact with Joe Anderson of the Muncie Housing Authority on this project and clarified that they this project will not be competing with anything they are doing. As City Councilman, he would like to make sure the residents of the Avondale/Thomas Park neighborhood were comfortable with a build like this project. Mayor Ridenour states that he has had conversation with Councilman Brandon Garrett, who is the district 3 City Councilman whose district this project will fall in. Mayor Ridenour states that Councilman Garrett is supportive of the idea and that he and the Mayor will take this to the Forest Park Neighborhood Association, as it also next door to where this project will take place.

Mayor Ridenour states that the current assessed value of the property is \$135,000 and that the property value will increase significantly and as a result, that taxes received. President Kantz asks Mayor Ridenour about the timeframe for this project. Mayor Ridenour clarifies that Horizon Companies plans to have its due diligence done in December, close in January, and start construction in the spring of 2023. Mr. Kantz follows up with a question regarding if the building will have residents housed while construction is underway. Mayor Ridenour states that will not be the case and residents will move in once the entire project is completed.

Ms. Piper motions for a favorable recommendation for tax abatement for the project at 2901 W. Memorial for Horizon Companies. Mr. Taulbee seconds the motion. Motion passes by unanimous voice vote.

5. Adjournment: There being no further business, Ms. Piper makes a motion to adjourn. Mr. Taulbee provided the second. Meeting adjourned at 12:35 P.M.
